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STATE OF CONNECTICUT
OFFICE *of the* STATE COMPTROLLER
165 Capitol Ave.
Hartford, CT 06106

MEMORANDUM NO. 2021-04

February 16, 2021

TO THE HEADS OF ALL STATE AGENCIES

Attention: Agency Heads, Chief Administrative and Fiscal Officers, and Business Managers

Subject: Policy and Procedures of the Office of the State Comptroller

I. PURPOSE

The purpose of this memorandum is to provide a list of agency responsibilities required by the Office of the State Comptroller. Agencies must meet the State Comptroller requirements in all respects, regardless of any statements or omissions in these procedures.

II. AUTHORITY

Section 3-112 of the Connecticut General Statutes and specific references for particular reports.

III. MEMORANDA

Fringe Benefit Cost Recovery Rate

A memorandum issued by the Comptroller's Office in **July** of each fiscal year gives agencies the fringe benefit cost recovery rates for Unemployment Compensation and the various retirement plans to be used for the fiscal year. All personal service expenditures from Federal, Private Grants and funds other than the General Fund are subject to fringe benefit cost recovery. Recoveries of Medical Insurance, FICA/Medicare and Social Security, and Group Life Insurance costs will be based on the actual cost of providing the benefit.

Fiscal Year End Instructions

A memorandum issued in **April** by the State Comptroller advises agencies of the year end due dates and instructions for Receipts, Appropriations, Purchase Orders, Contracts and Vendor Payments, Chartfield Request Changes, Payrolls, GL Journal Corrections, Statewide GAAP Closing, Schedule of Federal Financial Assistance, and Federal and other than Federal Grant Receivables, instructions on handling Negative Balances, and Cash Held Journals.

IV. REPORTING REQUIREMENTS**A. Annual Reports****Industrial Fund (Vocational Education) - 21003**

A report showing the balance in excess of \$500,000 as shown by adding the Cash Balance, Inventory of Manufactured Articles, Material on Hand & In Process and Bills Receivable less a deduction for Obligations at June 30. The report is **due March 31**. Reference paragraph 6.2 of the Office of the State Comptroller (OSC) Reporting section of the State Accounting Manual (SAM).

Petty Cash Fund Report

The report will be as of April 30 and is **due May 31**. Reference paragraph 5.8 of the OSC Reporting section of SAM and Comptroller's Memorandum 2020-07.

Internal Control Questionnaire

A completed copy must be in agency file by **June 30**. Reference paragraph 5.7 of the OSC Reporting section of SAM and Comptroller's Memorandum 2020-06.

Employment Security Special Administration Fund (Department of Labor) - 12032

Report any balance in excess of \$500,000 plus approved commitments as of **June 30** each year. The excess is appropriated to the Unemployment Compensation Fund (Unemployment Trust Fund). The report, in the form of a letter, should be approved by the Secretary of the Office of Policy and Management and by the Governor. Reference paragraph 6.1 of the OSC Reporting section of SAM.

Funds Awaiting Distribution

Agencies with a balance in the 34003 Fund at June 30 must provide a report. In memorandum form, the agency should state that the 34003 Fund has been reconciled and that any required corrections have been requested. The report is **due July 31**. Reference paragraph 5.6 of the OSC Reporting section of SAM.

Cash Management Improvement Act (CMIA) Annual Report

All agencies operating major federal programs covered by the CMIA Treasury/State Agreement must report federal/state interest liability on an annual basis. The federal reporting deadline is **December 31**. An annual memorandum will be sent to agencies with covered programs outlining the reporting requirements, including filing deadlines. Reference paragraph 5.2 of the OSC Reporting section of SAM.

Dog Tag Sales (Department of Agriculture)

Report of total income and number of tags or plates sold for the fiscal year. Report the cost of the tags and the expenses of distribution. The report is **due September 30**. Reference paragraph 5.4 of the OSC Reporting section of SAM.

Federal Financial Assistance Reporting Package

The information in this package is used to meet the requirements of the Federal Single Audit Act. The Federal Financial Assistance reporting package is **due September 30**. Reference paragraph 5.5 of the OSC Reporting section of SAM.

Agency Bank Accounts

Each agency will report to the Treasurer and to the Comptroller all bank accounts held by the agency as of June 30. The report is **due September 1**. Reference paragraph 5.5 of the OSC Reporting section of SAM.

GAAP Closing Package

GAAP closing package is **due September 3**. Reference OSC Forms.

Annual Report of all Real and Personal Property

CO-59/Fixed Assets/Property Inventory Report/GAAP Reporting Form and CO-648B Summary Motor Vehicle Report. Both reports are as of June 30 and are **due October 1**. Reference paragraph 5.9 of the OSC Reporting section of SAM, OSC Property Control Manual Reporting Chapter and Comptroller's Memorandum 2020-05.

Cost Allocation Plans/Indirect Cost Proposals

All agencies receiving Federal or any other grants, or private funds, etc., must prepare an indirect cost proposal or cost allocation plan for each fiscal year of the grant. Within six months after the close of each fiscal year, agencies should send the proposal or plan to their cognizant Federal department or agency for approval. Please forward a copy of the proposal or plan to the State Comptroller's Budget and Financial Analysis Cost Unit. Federal approval will allow the State to recover both agency and statewide indirect costs as permitted by Federal regulations. The proposal or plan is **due December 31**. Reference the Indirect Costs and Fringe Benefit Cost Recovery Manual and paragraph 5.3 of the OSC Reporting Section of SAM.

B. Semi-Annual Reports**Estimates of Revolving Fund Requirements (Commissioner of Administrative Services)**

The report, in memorandum form, shall be the amount the Commissioner of Administrative Services "estimates to be the requirements of state agencies for the twelve months immediately succeeding" for those items and services to be purchased for them by the Commissioner of Administrative Services through the General Services Revolving Fund. The reports are due **July 20** and **December 20**. Reference Paragraph 4.1 of the OSC Reporting Section of SAM.

C. Quarterly Reports**Accounts Receivable - UCONN Health Center**

This report is required at the end of each quarter and should be submitted no later than the 25th of the following month. This report is the "book value of accounts receivable that are estimated as collectible at The John Dempsey Hospital and for its clinical programs at the UCONN Health Center in Farmington." Reference paragraph 3.1 of the OSC Reporting section of SAM.

Calculation of Taxable Benefits of Non-Business Use of State-Provided Vehicles

Memorandum 2020-08 issued by the Comptroller's Office provides instructions for state employees who commute in or use a state vehicle for personal business because of certain resulting tax consequences. Agencies must maintain the records necessary to properly substantiate the dollar value of the vehicle use benefit for the period November 1 through October 31 of each year (special accounting period). A quarterly reporting of these taxable benefits must be recorded on the Comptroller's payroll record for the employee. Agencies are reminded that upon the termination of an employee, his or her payroll record must be updated with the employee's final payroll check for the taxes due on this fringe benefit.

V. MANUALS

Agencies are to ensure that uniform procurement and accounts payable procedures exist and are supported by proper internal controls. Agencies must meet accounting requirements mandated by the **State Accounting Manual (SAM)**, **OSC Property Control Manual** and the **Comptroller's Internal Control Guide**. The Office of the State Comptroller issues the manuals listed below. The manuals can be found on the Office of the State Comptroller Home Page at <http://www.osc.ct.gov>. Comptroller memoranda on subjects previously covered in manuals supersede the coverage of the subject in manuals.

List of Manuals and Memos issued by the State Comptroller

The manuals listed below contain information valuable to agencies.

[State of Connecticut Accounting Manual](#)

[Internal Control Guide](#)

[State of Connecticut Property Control Manual](#)

[Indirect Costs and Fringe Benefit Cost Recovery Manual](#)

[Purchasing Card Program Coordinator Manual](#)

[Trustee Accounts Manual](#)

[Union-Funded Travel Procedures](#)

[State of Connecticut Tuition Reimbursement Program](#)

[Fuel Card Policies and Guidelines](#)

[Fuel Cardholder Work Rules](#)

[Comptroller's Memorandum 2020-07](#)

[Comptroller's Memorandum 2020-06](#)

Agencies should have and are encouraged to develop agency specific procedures implementing the above manuals.

VI. COMMENTS AND QUESTIONS

Any comments or questions concerning this memorandum can be directed to the Office of the State Comptroller's Policy and Security Unit at elizabeth.l.daly@ct.gov.

DocuSigned by:

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KEVIN LEMBO
STATE COMPTROLLER

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<http://www.osc.ct.gov>

Attachment

CALENDAR

<u>Due Date</u>	<u>Report Of</u>	<u>Submitted By</u>	<u>Submitted To</u>
January 25	Accounts Receivable	UCONN Health Center	Budget and Financial Analysis
February	Taxable Benefits	Applicable Agencies - payroll transactions	Active and Pension Payroll Services
March 31	Industrial Account	Education	Budget and Financial Analysis
April 25	Accounts Receivable	UCONN Health Center	Budget and Financial Analysis
May	Fiscal Year End Instructions	Issued by Comptroller	Budget and Financial Analysis
May	Taxable Benefits	Applicable Agencies - payroll transactions	Active and Pension Payroll Services
May 31	Petty Cash Fund	Agencies with Petty Cash	Administrative Services
June 30	Internal Control Questionnaire	All Agencies	Maintained at Agency
June 30	Employment Security Special Administrative Fund	Department of Labor	OPM and Governor
July	Fringe Benefit Cost Recovery Rate Memorandum	Issued by Comptroller Cost Unit	Budget and Financial Analysis
July 20	Estimates of Revolving Fund Requirements	Department of Administrative Services	Budget and Financial Analysis
July 25	Accounts Receivable	UCONN Health Center	Budget and Financial Analysis
July 31	Funds Awaiting Distribution	Agencies with balance in 34003 Fund	Budget and Financial Analysis
August	Taxable Benefits	Applicable Agencies - payroll transactions	Active and Pension Payroll Services
September 1	Bank Accounts	All agencies with bank accounts	Budget and Financial Analysis
September 3	GAAP Closing Package	All agencies	Budget and Financial Analysis

<u>Due Date</u>	<u>Report Of</u>	<u>Submitted By</u>	<u>Submitted To</u>
September 30	Federal Financial Assistance Reporting Package	Applicable agencies	Budget and Financial Analysis
September 30	Dog Tag Sales	Department of Agriculture	Budget and Financial Analysis
October 1	Annual Report of All Real & Personal Property	All agencies	Administrative Services
October 25	Accounts Receivable	UCONN Health Center	Budget and Financial Analysis
November	Taxable Benefits	Applicable Agencies - payroll transactions	Active and Pension Payroll Services
December 20	Estimates of Revolving Fund Requirements	Department of Administrative Services	Budget and Financial Analysis
December 31	Cost Allocation Plans/ Indirect Cost Proposals	All agencies receiving Federal or any other grants or private funds	Budget and Financial Analysis- Cost Unit
December 31	Cash Management Improvement Act (CMIA) Annual Report	All agencies operating major federal programs covered by CMIA	Budget and Financial Analysis